TECHNICAL REVIEW DOCUMENT for OPERATING PERMIT 060PEP290 to be issued to:

Southern Terminal Services, LLC

El Paso County Source ID 0410014

Prepared by Matthew S. Burgett January 2008 – February 2008

I. Purpose:

This document establishes the basis for decisions made regarding the Applicable Requirements, Emission Factors, Monitoring Plan and Compliance Status of Emission Units covered within the Operating Permit proposed for this site. It is designed for reference during review of the proposed permit by the EPA, the Public and other interested parties. Conclusions made in this report are based on information provided by the applicant in the Title V application received September 25, 2006, subsequent additional information submittals, and review of Division files. This narrative is intended only as an adjunct for the reviewer and has no legal standing. Please note that copies of the Technical Review Document (TRD) for the original permit and any Technical Review Documents associated with subsequent modifications of the original Operating Permit may be found in the Division files as well as on the Division website at http://www.cdphe.state.co.us/ap/Titlev.html.

Any revisions made to the underlying construction permits associated with this facility made in conjunction with the processing of this operating permit application have been reviewed in accordance with the requirements of Regulation No. 3, Part B, Construction Permits, and have been found to meet all applicable substantive and procedural requirements. This operating permit incorporates and shall be considered to be a combined construction/operating permit for any such revision, and the permittee shall be allowed to operate under the revised conditions upon issuance of this operating permit without applying for a revision to this permit or for an additional or revised Construction Permit.

II. Source Description:

Southern Terminal Services provides fuel storage in multiple tanks, bulk distribution to Government bulk transport vehicles and other service tanks, a vehicle fuel facility, and a rapid refuel facility for fueling helicopters (APEN Exempt). The operations currently handle the following fuels: JP-8, No. 2 diesel, and E85 gasoline. Two diesel powered emergency generators provide for backup power (APEN Exempt).

Southern Terminal Services is located within the Fort Carson Army Post in El Paso County, Colorado. The bulk fuel facility is located adjacent to Butts ARMY Airfield (approximately 2.3 miles south of Specker Street). The vehicle fuel facility is located on Specker Street, just south of Barger Street. The area in which the plant operates is designated as attainment for all criteria pollutants.

There are no affected states within 50 miles of the plant. There are no Federal Class I designated areas within 100 kilometers of the facility. Florissant Fossil Beds National Monument is a Federal land area within 100 kilometers of the facility. Florissant Fossil Beds has been designated by the State to have the same sulfur dioxide increment as a Federal Class I area.

Southern Terminal Services is considered a single source with Fort Carson for purposes of PSD and Title V Operating Permits. Southern Terminal Services is required to obtain a Title V Operating Permit since it is a major source when the emissions from Fort Carson are considered.

Southern Terminal Services emissions are as follows:

Pollutant VOC Potential to Emit (tpy) 7.63

The potential to emit is based on permitted emission limits.

III. Emission Sources:

The following sources are specifically regulated under terms and conditions of the Operating Permit for this Site:

Bulk Fuel Facility – Consists of One 28,500 gasoline storage tank with Stage I vapor controls, One 47,500 gallon diesel storage tank, Four 47,500 gallon JP-8 storage tanks, One gasoline fuel loading rack, One diesel fuel loading rack, and Two JP-8 loading racks. However, the diesel and JP-8 storage tanks are considered APEN Exempt and are not subject to any requirements or throughput limits.

Southern Terminal Services notified the Division on March 16, 2008 that the bulk gasoline storage tank and loading rack are in the process of being taken out of service. They state that the bulk gasoline system has been idol for over one year. Storage of bulk gasoline is no longer required and the gasoline loading rack is not in use and will not be used for gasoline in the future.

The emissions for the bulk storage and loading rack are significantly lower without the inclusion of the gasoline storage and loading. Emissions for diesel and JP-8 storage and loading are less than 0.1 ton/yr. This is at a level below APEN reporting. The Division will no longer include the bulk fuel facility as a permitted source.

Vehicle Fuel Facility – Fuel is stored and dispensed directly into motor vehicle fuel tanks. Facility consists of Three 11,400 gallon aboveground fuel storage tanks for E85 gasoline, diesel, and JP-8. The E85 gasoline storage tank is equipped with Stage I vapor controls. The diesel and JP-8 tanks are considered APEN Exempt and do not require any permit terms/conditions. This facility also has equipment to dispense fuel directly into motor vehicles.

- 1. Applicable Requirements Prior to Title V application submittal, Colorado Construction Permit 04EP0763S defined applicable requirements for this bulk fuel facility. The requirements of this Construction Permit have been added to the Operating Permit. The requirements have been modified from the Construction Permit since Southern Terminal Services notified the Division that E85 fuel is being used now instead of gasoline. These requirements include:
 - E85 Gasoline throughput limit through the E85 gasoline storage tank.
 - VOC emission limit.
 - Regulation No. 7 limit to forbid disposal by evaporation.

Throughput limits are not needed for the diesel & JP-8 storage tanks since the emissions are insignificant.

New National Emission Standards have been developed for gasoline dispensing facilities. These standards apply to this E85 gasoline operation and have been included in the Operating Permit. See Section V of this TRD for additional details of these emission standards.

- 2. Emission Factors- Emissions are produced from the motor vehicle refueling process in addition to the storage tank breathing, working, and standing storage losses. Emissions from the E85 gasoline storage tank are controlled using Stage I vapor controls. Emissions are estimated using the calculation procedures outlined in EPA's AP-42 Chapter 5.2. TANKS 4 is used to estimate the tank working, breathing and standing storage losses. The appropriate emission factors have been listed in the permit. The Division assumes E85 VOC emissions are similar to VOC emissions resulting from the use of gasoline.
- 3. Monitoring Plan- The source shall be required to monitor compliance with the emission limits by monitoring fuel throughput and using the listed emission factors. TANKS 4 shall be used to estimate the tank working & breathing loss emissions. Fuel throughput and emission calculations shall be conducted on a monthly basis.
- 4. Compliance Status- The permittee indicated in their application that they are in compliance with all applicable requirements. The compliance date for the NESHAP is January 10, 2011.

Facility-wide HAP Emission Limits

Southern Terminal Services has requested exemption from certain NESHAP rules which apply only to major sources of HAPs. The Division will allow this since they are considered a single source with Fort Carson, which has a requirement to limit facility-wide emissions below major source status. However, Southern Terminal Services must accept a similar limit in this Operating Permit. Synthetic Minor facility-wide HAP limits have been included in the Operating Permit. HAP emissions from significant emission units shall be calculated on a monthly basis. HAP emissions from APEN exempt (insignificant) emission units shall be calculated on an annual basis to show that total facility-wide HAP emissions are below the stated limits.

IV. Compliance Assurance Monitoring (CAM) Requirements

The following emission points at this facility use a control device to achieve compliance with an emission limitation or standard to which they are subject and have pre-control emissions that exceed or are equivalent to the major source threshold. They are therefore subject to the provisions of the CAM program as set forth in 40 CFR Part 64 as adopted by reference into Colorado Regulation No. 3, Part C, Section XIV:

None

V. National Emission Standards of Hazardous Air Pollutants

National Emission Standards of Hazardous Air Pollutants for Source Categories: Gasoline Distribution Bulk Terminals, Bulk Plants, and Pipeline Facilities (Subpart BBBBBB).

The bulk fuel facility gasoline tank (28,500 gallons) and loading rack would have been subject to this standard had the bulk gasoline storage and loading racks remained in service. Since the bulk gasoline tank has been removed from service, this regulation no longer applies.

National Emission Standards for Hazardous Air Pollutants for Source Category: Gasoline Dispensing Facilities (Subpart CCCCC).

The vehicle fuel facility E85 gasoline storage tank (11,400 gallons) and associated equipment is subject to this standard, which applies to area sources of HAPs. This operation falls under the definition of a gasoline dispensing facility (GDF). This tank is permitted at a monthly throughput between 10,000 – 100,000 gallons, and is subject to the requirements specified for those operations. This subpart requires the use of submerged filling of gasoline storage tanks. Various notification requirements are contained in this rule.

The main requirements of this subpart have been included in Condition 2.4 of the Operating Permit. However, the permit may not include the entire applicable

requirements. The permit owner/operator is responsible for compliance with all the applicable requirements of this subpart.

VI. Accidental Release Program - 112(r)

Section 112(r) of the Clean Air Act mandates a new federal focus on the prevention of chemical accidents. Sources subject to these provisions must develop and implement risk management programs that include hazard assessment, a prevention program, and an emergency response program. They must prepare and implement a Risk Management Plan (RMP) as specified in the Rule.

Based on the information provided by the applicant, this facility is not subject to the provisions of the Accidental Release Prevention Program (Section 112(r) of the Federal Clean Air Act).

VII. Emission Factor Changes

From time to time published emission factors and/or other emission estimating methods are changed based on new or improved data. A logical concern is what happens if the use of the new factors/methods in a calculation results in a source being out of compliance with a permit limit. Except as noted below, the emission factors, equations, and/or other emission estimating methods included in the permit are considered to be fixed until changed by the permit. Obviously, emission factors dependent of the fuel sulfur content or heat content of the fuel can not be fixed and will vary with the test results. The method for determining the emissions is, however, fixed. It is the responsibility of the permittee to be aware of changes in the emission factors, etc. and to notify the Division in writing of impacts on the permit requirements when there is a change. Upon notification, the Division will work with the permittee to address the situation. In addition, the Division will review the factors, etc. as appropriate during permit modifications and renewals.

The exception to the above is that emission factors and/or other emission estimating methods used only to comply with the reporting requirements of Regulation No. 3, Part A, Section II can be updated and modified without a permit modification, although the resulting emission estimate may trigger permitting activities.